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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/684,012	10/06/2000	Babak Rezvani	COR185-150117	9816

7590 07/30/2003

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EXAMINER

HEWITT II, CALVIN L

ART UNIT	PAPER NUMBER
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3621

DATE MAILED: 07/30/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/684,012

Applicant(s)

REZVANI ET AL.

Examiner

Calvin L Hewitt II

Art Unit

3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 06 October 2002.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ 6) ☐ Other: _____

Status of Claims

1. Claims 1-22 have been examined.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-13 and 18-22 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claim 1 is non-statutory as they are not within the technological arts. It has been held that all that is necessary to make a sequence of operational steps a statutory process within 35 U.S.C. 101 is that it be in the technological arts so as to be in consonance with the Constitutional purpose to promote the progress of "useful arts." (*In re Musgrave*, 431 F.2d 882, 167 USPQ 280 (CCPA 1970)). However, the Applicant's claims do not fall within the technological arts because no form of technology is claimed.

Claim 18 recites, "... the number of additional transmissions is variable and adaptively selected." However, this is non-statutory subject matter as the claim is directed towards a number and is merely an abstract idea and lacks a

practical application. Similarly, subsequent claims 19-22 are non-statutory as they describe mathematical operations without some practical operation.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 4 and 18-22 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 4 recites, "... at least one transmission is greater then the pre-selected number of tokens". However, if the "at least one" transmission is a single transmission, then the number of preselected tokens is zero, which contradicts claims 2 and 1 from which claim 4 depends.

Claim 18 recites the limitation "the number of additional transmissions" in lines 1 and 2. There is insufficient antecedent basis for this limitation in the claim.

Claims 19-22 are also rejected as they depend from claim 18.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this

Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1-3, 6-11, 14, 15 and 18 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by Pickett, U.S. Patent No. 6,012,144.

As per claims 1-3, 6-11, 14, 15 and 18, Pickett teaches a transaction security method and apparatus comprising:

- transmitting a token to a receiver during first secure transmission between a sender and receiver (abstract; figure 4; column 3, lines 50-52)
- establishing at least one additional transmission between the sender and receiver for transmitting the token, wherein the additional transmission is variable and adaptively selected (figures 4 and 5; column 3, lines 50-54; column 6, lines 22-35)

- comparing the tokens received during the transmissions to establish authenticity (figures 4 and 5; column 6, lines 23-35 and 64-67)
- wherein the at least one token comprises and corresponds to a preselected number of tokens (figures 4 and 5)
- conducting transmissions over unsecure or open connections (figure 1)
- conducting an encrypted first secure transmission (figures 3A-4; column/lines 5/1-6/23)
- additional transmissions that are sent in plaintext (figures 1 and 5; column 6, lines 22-35)

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 4, 5, 12, 13, 16, 17, 19, 20-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pickett, U.S. Patent No. 6,012,144.

As per claims 4, 5, 21 and 22, Pickett teaches a secure transaction method that comprises multiple transmissions and the exchange of token data (figures 4 and 5). Pickett does not specify a particular number of additional transmissions. However, it would have been obvious for a user to register multiple cards but only make one purchase using the service of Pickett, or register one card and make multiple purchases using the one card. Similarly, as the number of additional transactions of the Pickett system is variable, the number can be ascertained mathematically (i.e. deterministically), or at least statistically, or probabilistically. And the choice independent variables used to model the behavior of said variable as at the discretion of the practitioner.

As per claims 12, 13, 16 and 17, Pickett teaches transmitting data electronically (figures 1-5). The Examiner takes Official Notice that checksums are well known computational tools for detecting the presence of errors when data is transmitted over a network. Therefore, it would have been obvious to one of ordinary skill to use "checksums" to detect errors during the transmission of sensitive data such as credit card numbers.

As per claims 19, 20, Pickett teaches a secure transaction method that comprises additional transmissions to a client (figure 5). Regarding the number of additional transmissions, it would have been obvious for a user to decline using the system of Pickett, or at least a particular website (i.e. ABC Toy Company), (figure 5) in the future if the user was dissatisfied with the service.

Conclusion

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- Snyder et al. teach copy tracking software using tokens
- Walker et al. teach a system for secure transactions using tokens

11. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Calvin Loyd Hewitt II whose telephone number is (703) 308-8057. The Examiner can normally be reached on Monday-Friday from 8:30 AM-5:00 PM.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, James P. Trammell, can be reached at (703) 305-9768.

Any response to this action should be mailed to:

Commissioner of Patents and Trademarks
c/o Technology Center 2100
Washington, D.C. 20231

or faxed to:

(703) 305-7687 (for formal communications intended for entry and after-final communications),

Art Unit: 3621

or:

(703) 746-5532 (for informal or draft communications, please label

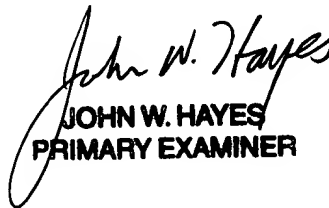
"PROPOSED" or "DRAFT")

Hand-delivered responses should be brought to Crystal Park 5,
2451 Crystal Drive, 7th Floor Receptionist.

Any inquiry of a general nature or relating to the status of this application
should be directed to the Group receptionist whose telephone number is (703)
308-1113.

Calvin Loyd Hewitt II

July 27, 2003


JOHN W. HAYES
PRIMARY EXAMINER